
By: **Delegates Cardin, Cryor, Bohanan, McKee, and Myers**
Introduced and read first time: February 13, 2004
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Credit for Graduate Level Education - Nonpublic School**
3 **Teachers**

4 FOR the purpose of allowing teachers in certain nonpublic schools to claim a credit
5 against the State income tax under certain circumstances for up to a certain
6 amount of tuition paid by the teacher for certain graduate level education;
7 providing for the application of this Act; and generally relating to an income tax
8 credit for tuition paid for certain graduate level education.

9 BY repealing and reenacting, with amendments,
10 Article - Tax - General
11 Section 10-717
12 Annotated Code of Maryland
13 (1997 Replacement Volume and 2003 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Tax - General**

17 10-717.

18 (a) (1) [An] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
19 AN individual who is a classroom teacher holding a standard professional certificate
20 or an advanced professional certificate may claim a credit against the State income
21 tax for up to \$1,500 of tuition paid by the individual during the taxable year for
22 graduate level courses required to maintain certification if the individual:

23 [(1)] (I) successfully completes the courses with a grade of B or better;

24 [(2)] (II) is employed by a county board of education OR A NONPUBLIC
25 SCHOOL THAT HOLDS A CERTIFICATE OF APPROVAL FROM THE STATE OR IS
26 REGISTERED WITH THE STATE BOARD OF EDUCATION;

27 [(3)] (III) teaches in a public OR NONPUBLIC school and receives a
28 satisfactory performance evaluation for that teaching; and

1 [(4)] (IV) has not been reimbursed by the county OR, IN THE CASE OF A
2 TEACHER EMPLOYED BY A NONPUBLIC SCHOOL, BY THE NONPUBLIC SCHOOL for the
3 tuition paid.

4 (2) IN THE CASE OF A TEACHER EMPLOYED BY A NONPUBLIC SCHOOL,
5 THE MAXIMUM CREDIT ALLOWABLE UNDER THIS SUBSECTION IS \$750 OF TUITION
6 PAID BY THE TEACHER DURING THE TAXABLE YEAR FOR GRADUATE LEVEL COURSES
7 REQUIRED TO MAINTAIN CERTIFICATION.

8 (b) (1) If a county OR A NONPUBLIC SCHOOL OR OTHER ENTITY partially
9 reimburses an individual for tuition paid, the individual may claim a tax credit
10 allowed under this section for the balance of the tuition not paid by the county OR THE
11 NONPUBLIC SCHOOL OR OTHER ENTITY.

12 (2) The credit allowed under this section may not exceed the State
13 income tax for that taxable year, calculated before the application of the credits
14 allowed under this section and §§ 10-701 and 10-701.1 of this subtitle but after the
15 application of the other credits allowable under this subtitle.

16 (3) The unused amount of the credit for any taxable year may not be
17 carried over to any other taxable year.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2004, and shall be applicable to all taxable years beginning after December 31,
20 2003.